ORDINANCE NO. 1179

AN ORDINANCE OF THE CITY OF FOLSOM ADOPTING THE CITY OF FOLSOM COMMUNITY FACILITIES FINANCING LAW AS CHAPTER 3.110 OF THE FOLSOM MUNICIPAL CODE

The City Council of the City of Folsom does hereby ordain as follows:

SECTION 1 PURPOSE

The purpose of this ordinance is to add the City of Folsom Community Facilities
Financing Law to the <u>Folsom Municipal Code</u> in order to provide a flexible method for financing necessary services and facilities.

SECTION 2 ADDITION TO CODE

Chapter 3.110 is hereby added to the Folsom Municipal Code to read as follows:

Chapter 3.110

COMMUNITY FACILITIES FINANCING

Sections:

3.110.010	Short Title.
3.110.020	Purpose and intent.
3.110.030	Authority.
3.110.040	Special tax proceedings.
3.119.050	Nonexclusivity.
3.110.060	Construction.
3.110.070	Incorporation of the Mello-Roos Community Facilities Act of
	1982.
3.110.080	Authorized services and use of funds.
3.110.090	Hearing, continuances.
3.110.100	Goals and policies.
3.110.110	Lease of facilities.
3.110.120	Compliance with chapter.
3.110.130	Conflict of law.
3.110.140	Services existing prior to formation of district.
3.110.150	Resolution of consideration.

3.110.010 Short Title.

This Chapter may be cited as the "City of Folsom Community Facilities Financing Law."

3.110.020 Purpose and intent.

The foregoing instrument is a correct copy of the original on file in this office.

City Clerk of the City of Folsom, California

Ordinance No. 1179 Page 1 of 5 The purpose and intent of this chapter is to establish a procedure for financing certain public capital facilities and services through the establishment of community facilities districts, the levy of special taxes within such districts and the issuance of bonds secured by such special taxes.

3.110.030 Authority.

This Chapter is adopted pursuant to the Section 1.01(B) of the Folsom City Charter, which grants the City the authority to make and enforce all ordinances and regulations in respect to municipal affairs, subject only to restrictions and limitations provided in the City Charter.

3.110.040 Special tax proceedings.

- A. Proceedings for the formation of a community facilities district or districts for the purposes set forth in Section 3.110.080 may be conducted pursuant to this chapter whether or not provided in any state law.
- B. Exemptions Properties owned by governmental entities shall be expressly exempt from the special tax levied pursuant to this chapter unless the City affirmatively provides in the formation proceedings that: land owned by governmental entities is intended to be transferred to private ownership, land owned by governmental entities will be subject to the special tax on the same basis as private property within the district; and that the governmental entity affirmatively waives any defense based on the fact of public ownership to any action to foreclose on the property in the event of nonpayment of the special tax.
- C. School District Exemption the exemption provided in Government Code Section 53313.4 shall apply to any district formed pursuant to this chapter.

3.110.050 Nonexclusivity.

- A. The authority granted by this chapter is not intended to exclude the use by the City of any authority granted by the City Charter or state law.
- B. The procedures provided in this chapter are alternative to any other procedure provided in this Code or under state law.
- C. The resolution of intention in any proceedings under any state law or other provision of the Folsom Municipal Code may provide that such provisions are supplemented by this chapter.

3.110.060 Construction.

This chapter is to be liberally construed to assure that the purposes of this chapter are met.

3.110.070 Incorporation of the Mello-Roos Community Facilities Act of 1982.

A. The Mello-Roos Community Facilities Act of 1982 (Chapter 2.5, commencing with Section 53311, of Part 1 of Division 2 of Title 5 of the Government Code, as amended from time to time), is incorporated in and made a part of this chapter to supplement, but not to supplant, the provisions in this chapter.

B. Except as otherwise provided by this chapter, the mode and manner of establishing a community facilities district, for making improvements, for levying and collecting special taxes and for issuing bonds shall be as prescribed in the Mello-Roos Community Facilities Act of 1982.

3.110.080 Authorized services and use of funds.

In addition to any services, facilities, and incidental expenses authorized for such financing under the Mello-Roos Community Facilities Act of 1982, a community facilities district special tax, whether approved by vote of the landowners or the registered voters of the district, may finance any of the following services notwithstanding the fact that such services may supplant services which were already available within the territory when the district was created:

- A. Any service authorized for financing pursuant to the Mello-Roos Community Facilities Act of 1982.
- B. Maintenance or servicing of any street, highway, road, alley, lane, boulevard, pedestrian mall, parkway, bike path, trail or other way dedicated to or used for public use and all appurtenances including, but not limited to, medians, street signs, street lights, traffic signals, sound walls, drains, tunnels, sewers, conduits, culverts, and channels for drainage purposes, with necessary outlets, cesspools, manholes, catch basins, flush tanks, septic tanks, disposal plants, connection sewers, ditches, drains, conduits, channels, and appurtenances.
- C. Maintenance or servicing of any lakes, streams, wetlands, rivers, creeks, channels or other bodies of water and the streambeds, riverbeds, creekbeds, channelbeds or lakebeds.
- D. Maintenance of any landscaping, hardscaping open space areas, lighting or signage within or adjacent to public rights of way or easements.
- E. Acquisition of water supplies.
- F. Ongoing expenses associated with the acquisition or delivery of water supplies.

3.110.090 Hearing, continuances.

The hearing on the formation of a community facilities district as required by subdivision (e) of Section 53321, subdivision (e) of Section 53334, and subdivision (f) of Section 53339.3 of the Government Code shall be held not less than ten nor more than sixty days after the adoption of the resolution of intention to establish the district, and may be continued from time to time without further notice, but shall be completed within one year of the original hearing date.

3.110.100 Goals and policies.

The provisions of Section 53312.7 of the Government Code, concerning the adoption of local goals and policies, shall be permissive and not mandatory in connection with any proceedings taken, special tax levied or bonds issued pursuant to this chapter.

3.110.110 Lease of facilities.

Notwithstanding Section 53313.5 of the Government Code, the city may enter into leases for facilities financed under this chapter, if the council determines that it is in the best interest of the city to do so.

3.110.120 Compliance with chapter.

Any proceedings taken, special tax levied or bonds issued pursuant to this chapter shall not be held invalid for failure to comply with the provisions of this chapter provided such failure is not a constitutional defect under state or federal law.

3.110.130 Conflict of law.

In the event of any conflict between the provisions of this chapter or other provisions of the Municipal Code and the provisions of the Mello-Roos Community Facilities Act of 1982, this chapter shall govern.

3.110.140 Services existing prior to formation of district.

Notwithstanding Section 53313 of the Government Code, a tax imposed under this chapter may finance any facilities or services authorized in this chapter which were provided in the territory of the community facilities district before the district was created. The tax under this chapter may finance facilities and services which are in addition to existing services, or which supplant existing services, or both.

3.110.150 Resolution of consideration.

In addition to the types of changes set forth in subdivision (a) of Section 53331 of the California Government Code, either or both of the following changes may also be considered by the city council in a resolution of consideration:

- A. That the annual appropriations limit should be increased, or
- B. That the maximum amount of bonded indebtedness should be increased.

SECTION 3 SCOPE

Except as set forth in this Ordinance, all other provisions of the <u>Folsom Municipal Code</u> shall remain in full force and effect.

SECTION 4 SEVERABILITY

If any section, subsection, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council declares that it would have passed each section irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional, invalid, or ineffective.

SECTION 5 EFFECTIVE DATE

This ordinance shall become effective thirty (30) days from and after its passage and adoption, provided it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation in the City.

This ordinance was introduced and the title thereof read at the regular meeting of the City

Council on June 11, 2013 and the second reading occurred at the regular meeting of the City Council on June 25, 2013. otion by Council Member ______ seconded by Council Member _____, the foregoing ordinance was passed and adopted by the City Council of the On a motion by Council Member by Council Member City of Folsom, State of California, this 9th day of July 2013, by the following roll-call vote: Council Member(s): AYES: **NOES:** Council Member(s): ABSENT: Council Member(s): Council Member(s): **ABSTAIN:** Stephen E. Miklos, MAYOR ATTEST: Christa Saunders, CITY CLERK